



# GOV. MSG. NO. 1282

EXECUTIVE CHAMBERS  
KE KE'ENA O KE KIA'ĀINA

JOSH GREEN, M.D.  
GOVERNOR  
KE KIA'ĀINA

July 3, 2024

The Honorable Ronald D. Kouchi  
President of the Senate,  
and Members of the Senate  
Thirty-Second State Legislature  
State Capitol, Room 409  
Honolulu, Hawai'i 96813

The Honorable Scott K. Saiki  
Speaker, and Members of the  
House of Representatives  
Thirty-Second State Legislature  
State Capitol, Room 431  
Honolulu, Hawai'i 96813

Dear President Kouchi, Speaker Saiki, and Members of the Legislature:

This is to inform you that on July 3, 2024, the following bill was signed into law:

SB2413 SD2 HD1 CD1

RELATING TO AGRICULTURE.  
**ACT 181**

Sincerely,

Josh Green, M.D.  
Governor, State of Hawai'i

on \_\_\_\_\_

THE SENATE  
THIRTY-SECOND LEGISLATURE, 2024  
STATE OF HAWAII

S.B. NO. 2413  
S.D. 2  
H.D. 1  
C.D. 1

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# A BILL FOR AN ACT

RELATING TO AGRICULTURE.

**BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:**

1 SECTION 1. The legislature finds that state agricultural  
2 lands are a key resource that can be used to meet the State's  
3 goals for economic diversification and food self-sufficiency.  
4 In order to support farmers on these lands, the State subsidizes  
5 lessees by providing leases below market rates and, in some  
6 cases, providing lower-cost agricultural water. Despite these  
7 state subsidies, some state agricultural leases are used  
8 primarily as residences or non-agricultural businesses or are  
9 unused.

10 The legislature further finds that lessees who obtain a  
11 state agricultural lease in high-demand locations can transfer  
12 the remainder of their lease to the highest bidder, thereby  
13 converting their lease into a windfall profit above and beyond  
14 their investment in the property. This windfall profit is an  
15 unintended transfer of wealth from the State to individual  
16 lessees. This situation also causes the transfers of leases to  
17 the highest bidder, who may or may not be the farmers best able  
18 to use the land for agricultural production. The legislature



1 believes that further data is needed to assess the extent to  
2 which the department of agriculture leases maximize benefits to  
3 the State and help the State achieve its economic and food  
4 production goals. Further data is also needed to assess whether  
5 the transfer of state lands from one lessee to another results  
6 in the difference between the actual value of the lease and the  
7 subsidized price of the lease being monetized for private,  
8 rather than state, benefit.

9       Accordingly, the purpose of this Act is to require the  
10 board of agriculture to submit a report to the legislature on  
11 the percentages of agricultural lands being leased by the State  
12 that are suitable for farming and actively being used for  
13 farming purposes and certain dollar amounts relating to lease  
14 transfers between lessees.

15       SECTION 2. No later than twenty days prior to the  
16 convening of the regular session of 2025, the board of  
17 agriculture shall submit to the legislature a report that  
18 includes:

19       (1) For each parcel, by tax map key, of agricultural land  
20       that is leased by the State pursuant to section



1 166-11, Hawaii Revised Statutes, the percentages that  
2 are:

3 (A) Suitable for farming; and

4 (B) Actively being farmed; and

5 (2) For every lease entered into pursuant to section  
6 166-11, Hawaii Revised Statutes, that was transferred  
7 by a lessee to another lessee, the dollar amounts of  
8 the following:

9 (A) Lease rent;

10 (B) Sum paid by the purchasing lessee for the  
11 remainder of the lease; and

12 (C) Amount from the sum paid by the purchasing  
13 lessee, pursuant to subparagraph (B), that goes  
14 to the State.

15 SECTION 3. This Act shall take effect upon its approval.



S.B. NO.

2413  
S.D. 2  
H.D. 1  
C.D. 1

APPROVED this **3rd** day of **July**, 2024

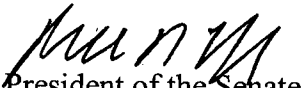
A handwritten signature in black ink, appearing to read "Josh Green". The signature is written in a cursive, flowing style.


GOVERNOR OF THE STATE OF HAWAII

**THE SENATE OF THE STATE OF HAWAI'I**

Date: May 1, 2024  
Honolulu, Hawai'i 96813

We hereby certify that the foregoing Bill this day passed Final Reading in the Senate of the Thirty-Second Legislature of the State of Hawai'i, Regular Session of 2024.

  
President of the Senate

  
Clerk of the Senate

SB No. 2413, SD 2, HD 1, CD 1

THE HOUSE OF REPRESENTATIVES OF THE STATE OF HAWAII

Date: May 1, 2024  
Honolulu, Hawaii

We hereby certify that the above-referenced Bill on this day passed Final Reading in the House of Representatives of the Thirty-Second Legislature of the State of Hawaii, Regular Session of 2024.



Scott K. Saiki  
Speaker  
House of Representatives



Brian L. Takeshita  
Chief Clerk  
House of Representatives